

**MINUTES OF THE
COMMERCE AND WORKFORCE SERVICES
APPROPRIATIONS SUBCOMMITTEE**
Room 110, West Office Building, State Capitol Complex
January 31, 2008

MEMBERS PRESENT: Sen. Jon Greiner, Co-Chairman
Rep. Michael Morley, Co-Chairman
Sen. Mark Madsen
Sen. Karen Mayne
Sen. Wayne Niederhauser
Rep. Sylvia Andersen
Rep. Craig Frank
Rep. Lynn Hemingway
Rep. Mark Wheatley
Rep. Larry Wiley

MEMBERS ABSENT: Rep. Jim Dunnigan

STAFF PRESENT: Danny Schoenfeld, Fiscal Analyst
Karen Mitchell, Committee Secretary

Note: A list of handouts and visitors lists will be filed with committee minutes.

Co-Chair Rep. Morley called the meeting to order at 2:05 p.m.

MOTION: Rep. Hemingway moved to approve the minutes of January 28, 2008. The motion passed unanimously. Sen. Madsen, Sen. Niederhauser, and Rep. Wiley were absent for the vote.

Rep. Daw explained H.B. 119, Controlled Substance Database Amendments, to the committee. This bill amends provisions of the Utah Controlled Substances Act relating to the controlled substance database and establishes a pilot program for real-time reporting of data to, and access from, the controlled substance database. He informed the committee that this bill will allocate \$650,000 one-time monies to set-up a real-time system and \$175,000 ongoing funds to maintain the system.

Rep. Daw answered questions from the committee.

The committee thanked Rep. Daw for his presentation.

Department of Commerce

Danny Schoenfeld, Fiscal Analyst, presented the Budget Brief for the Department of Commerce. The Department of Commerce is the licensing and registration agency for Utah's professional

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and corporate community. Business registrations, professional licensing, consumer protection and education, oversight of public utilities and monitoring real estate and securities industries are all department responsibilities.

The Department currently has 260 FTE. The Department of Commerce receives the majority of its revenue from Commerce Service Restricted Funds. The agency also receives a portion of its revenue from State Funds - Dedicated Credits and General Fund. The total budget for the Department is \$25 million.

The Analyst listed the following FY 2009 Budget Recommendations: Controlled Substance Investigator, \$91,500 to assist with investigations relating to perscription controlled substances in Southern Utah, and an additional Half Time Auditor, \$36,000 enabling the department to administer applications in a more effective and timely manner.

The Analyst further recommends Intent Language:

Funds for the Division of Public Utilities lapse to the division's Professional and Technical Services fund.

Funds up to \$1,500,000 for the division of Public Utilities - Professional and technical Services are non-lapsing.

Funds for the Committee of Consumer Services lapse to the Committee's Professional and technical Services fund.

Funds for the Committee of Consumer Services - Professional and Technical Services are non-lapsing.

Commerce is authorized to allow State Fleet Services to purchase one additional fleet vehicle for DOPL investigations and provide an appropriate workstation with up to \$18,900 existing division funds.

The Analyst briefed the committee on the Issue Brief explaining the Department fee schedule and fee reductions in Consumer Protection, as well as Real Estate Education, and Occupational Licensing.

The Analyst responded to questions from the committee regarding the fee reductions.

Francine Giani, Executive Director of Commerce, assisted by Peter Anjewierden, Financial Analyst, further explained to the committee the fee reductions. She stated that over \$8 million is returned to the General Fund from Commerce Department from fees collected.

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A handout from the Department highlighting their budget request for FY 2009, as well as a copy of their Annual Report for FY 2007, was provided to the committee. Ms. Giani reviewed the budget request. The Department is requesting a Real Estate Investigator dealing with Mortgage Fraud FTE \$75,400.

A handout was provided by the Governor's Office which gave the Governor's budget recommendations. The committee questioned the differences in the Analyst's budget and the Governor's budget. Ms Giani responded the committees concerns.

Public comment

John Norman, Utah Mortgage Lenders Association

Michael Ostermiller, Salt Lake Board of Realtors

David A. Jensen, Utah Association of Mortgage Brokers

Rep. Hemingway moved to adjourn. the motion passed unanimously. Rep. Morley adjourned the meeting at 3:11 p.m.

Sen. Jon Greiner, Co-Chair

Rep. Michael Morley, Co-Chair